14. *Excise.*—In addition to the continuance of the existing temporary staff for the prevention of smuggling and the conservation of tobacco and customs revenues, especially in the border areas, provision has also been made in the next year's budget for the introduction as a temporary and experimental measure of the system of local option in the Municipal town of Attingal, discontinuing local option in the Municipal town of Changanachery.

15. *Interest.* Provision is, as already stated in para 9 above, made for the payment of advance interest up to the end of the current year and one half yearly instalment of the interest on the three and a half per cent Loan 1956 of B.Rs 50 lakhs recently floated by Government for financing the Capital schemes. In consequence of the reduction of the rate of interest on Savings Bank deposits to 3 per cent per annum referred to already, a saving of Rs ·95 of a lakh has been allowed for under this head.

16. *General Administration.*—The House was told this time last year that the separation of the Finance and Accounts departments of the State was then in contemplation. A Special Officer was appointed about the end of Dhanu last for drawing up and submitting to Government definite and concrete proposals for the separation. His report having been submitted in Kumbham, Government in their order R. Dis. No. 600 of 1936/Gl., dated 11th April 1936, published in the Gazette, sanctioned the separation of the Finance and the Accounts departments and the organisation of a separate Financial Secretariat under the charge of an independent whole time Secretary. The functions of the new Finance Department and the Account Officer were clearly laid down. Pending results of actual experience of the working of the new Financial Secretariat, the existing temporary staff will be continued as such up to 8th Medam next *i, e.*, for one year from the date on which the separation was actually given effect to. Proposals for organising the staff on a permanent basis will be considered in due course. With the formation of the separate Financial Secretariat, the posts of the old Financial Section of the Account Office are being held in abeyance. The net cost of the new Financial Secretariat for the next year, after deducting the savings on this account, is estimated to be about Rs ·21 of a lakh. Provision has also been made for the expenses in connection with the General Elections to the Legislature next year and for the revision of the State Manual.

17. *Public Service Commissioner*—The Public Service Commissioner took charge on the 10th July 1935. He was engaged in framing the Public Service Recruitment Rules and making all the preliminary arrangements for holding the examinations prescribed in

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